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## SCIENCE & TECHNOLOGY DEPARTMENT

### RESOLUTION

The 24th November, 2016

#### **Sub: Biotechnology Policy Resolution, 2016.**

##### **Preamble**

The State of Odisha has vast scope for development of Biotechnology, a sunrise knowledge industry. The State, with its rich biodiversity and vast natural resources, coupled with industry-friendly policy measures offers tremendous potential to become a major destination for investments in Biotechnology Sector.

The Indian Biotechnology Sector is gaining global visibility and is being tracked for emerging investment opportunities. Recognizing the potential, the Government of Odisha has identified Biotechnology as a priority sector in its Industrial Policy Resolution (IPR-2015).

The State is advantageously positioned to harness Biotechnology applications owing to its rich natural and bio-resources. The State possesses a rich biological diversity, both terrestrial and marine in its forests, agriculture, mangroves, wetlands and marine areas, both in the number of species and their abundance. The State has a long coastline covering 480 km. In addition, the Chilika lake - the largest brackish water lake in Asia, harbours more than 900 species of flora and fauna such as algae, protozoa, vascular plants, molluscs, nematodes, fish, prawn, other vertebrates, migratory and resident birds. The forest area of 5.72 million hectares constitutes 37 per cent of the geographical area of the State, with varied and diverse physiographic and climatic conditions. These forests are rich sources of medicinal plants. Approximately, 130 species of commercially relevant medicinal plant species are found in the State. The State has a rich floristic wealth with an estimated 2,754 plant species. Out of the estimated 1,200 orchid species in India, 129 rare species are reported to occur exclusively in Odisha.

The Government of Odisha has already taken many initiatives for promoting Biotechnology in the State. It had brought out the Biotechnology Vision Document in 2001 for the 10th five year plan.

To promote higher education, accelerate Research & Development (R&D) and to create an enabling environment for investments in Biotechnology Sector, the Government has been implementing various programs and activities as follows:

- Provide financial support to R&D projects, strengthening infrastructure facilities in Biotechnology.
- Provide financial support for holding workshops/symposia/conferences on Biotechnology.
- Provide Scholarships & Fellowships to University students, research scholars pursuing M.Sc. / M.Tech. / Ph. D. / in Biotechnology and Emeritus Professors for short-term academic assignments.
- Create infrastructure for Biotechnology Park/Marine Biotechnology Park/ Development of Germplasm/Gene Bank.
- Conduct Skill & Entrepreneurship Development Programs (SEDP) through various Biotechnology institutions of repute.
- Organize awareness development programs for showcasing the latest developments in the sector through advertisement/road shows/distribution of brochures, booklets etc.

These initiatives would be expanded and given major thrust as part of this Biotechnology Policy Resolution-2016. The Biotechnology Policy Resolution-2016 shall act as a catalyst in the economic growth of Odisha creating models for scalability and replicability across the State resulting in higher investments and large-scale employment opportunities in the State.

### **Vision**

To emerge amongst the top 5 “**Bio-tech Hubs**” in India for Biotechnology investments, by creating an enabling environment through strategic partnerships initiatives, industrial infrastructure development, investment assistance and policy interventions.

### **Mission**

- a) Build a holistic Biotechnology Ecosystem in Odisha to enable the State to become one of the top investment destinations in the country.
- b) Provide fiscal and non-fiscal benefits in a transparent and time bound manner.
- c) Streamline rules, regulations and legislations to create an investment friendly environment.
- d) Implement a supportive regulatory framework and robust governance structure that enables hassle-free, time bound statutory clearances and monitoring of this policy.

### 1. **Objectives**

- a) Prioritising the thrust areas for basic as well as applied Research and Technology Development with industry-academia-social interface.
- b) Promoting innovation in R&D by providing financial and infrastructural

support and by encouraging public-private partnership (PPP) for R&D for sustained growth and international competitiveness.

- c) Establish Regional Biotechnology Parks, Bio-Clusters, Biotechnology Centres of Excellence, Biotechnology Enterprise & Skill Development Schools (BESD), and Incubation Centres in Universities / Institutes / Industries / Agencies and Thematic Biotechnology Parks in the priority areas like Agriculture, Animal Husbandry & Human Health.
- d) Establish dedicated Institutes/strengthening existing facilities for Bioinformatics, bio-similar, bio-markers, applied biotechnology, bioengineering & genomics etc.
- e) Employment generation and development of industry ready-skilled human capital in various areas of Biotechnology.
- f) Capacity building on Intellectual Property Rights (IPR) and Bio-Safety.
- g) Create a conducive business ecosystem, registration mechanism, branding to facilitate & encourage private sector investment and business promotion.
- h) Create a strong institutional framework/network for effective implementation, monitoring and evaluation of this policy.

## 2. **Scope**

The fiscal, non-fiscal incentives and any other support measures available under IPR-2015 and MSME Policy shall be available on priority to units under the Biotechnology Sector.

The Biotechnology industrial units can choose to avail a particular incentive under either this policy or any other sectoral policy like Agriculture Policy, Food Processing Policy, MSME Policy Start-up Policy, SEZ Policy etc.

## 3. **Policy period**

The Biotechnology Policy Resolution- 2016 will be coterminous with the period of IPR-2015.

## 4. **Biotechnology Unit**

To be eligible for incentives and support, a Biotechnology Unit means an industrial unit as defined in IPR 2015 engaged in following activities in the areas of Agricultural Biotechnology, Medical Biotechnology, Industrial Biotechnology, Animal Biotechnology, Aquaculture & Marine Biotechnology, Environmental Biotechnology, Bio-fuel & Bio-energy and Biodiversity & Conservation.

- a) Developing a product or offering a service related to “Living Systems”.
- b) Research & Development and/or manufacture, which use or are derived by using specific Living Systems, and/or information or materials derived there from, such as Bioinformatics products & services, Clinical Trials and Contract Research, Biotechnology IT/ITES, Manufacturing of precision tools, equipment and instruments.

## 5. **Bio-safety**

The increasing awareness on the possibilities of exploiting genetically modified organisms (GMOs) and products derived from them for commercial purposes has also led to considerable concern about their Bio-Safety. The State Government would ensure setting up of adequate institutional mechanisms for

implementation as well as monitoring of GMO development and applications programmes as per the National Bio-safety guidelines. Safety guidelines laid down by Government of India towards research in the field of Biotechnology shall be adhered to strictly and provisions for augmenting security arrangements as required from time-to-time shall be made in addition. The Government shall endeavor to create adequate capacity building in this sector.

## **6. Research & Development, Human Resources & Skill Development**

The Government of Odisha would encourage Universities/Institutes to build an active network/collaboration with national and international institutes of repute, R&D organisations and industries for advanced and applied research in Biotechnology Sector and Skill Development. The Government would encourage Universities and health institutes to take up contract research for industry and public agencies.

### **6.1. Centres of Excellence**

The Government of Odisha, would designate the existing Universities/ Institutes/Industries/Agencies with Research & Development facilities in Biotechnology and healthcare as Centres of Excellence and would constitute a global advisory network to foster cutting edge research.

### **6.2. Biotechnology Enterprise & Skill Development Schools**

The Government of Odisha shall encourage Universities / Institutes / Industries/ Agencies to establish Biotechnology Enterprises and Skill Development Schools (BESD) and conduct specialized short-term courses in business management, entrepreneurship development, bio-safety, bio-ethics, and intellectual property rights, industrial training/apprentice-ship to enhance the competitiveness of Biotechnology Industry needs/demand.

### **6.3. Biotechnology Incubators**

The Government will set up Incubators, either on its own or in partnership with private sector. The incubators would nurture innovation, support and mentor start-ups in priority sector.

### **6.4. Specialized Institutes**

The Government of Odisha will promote setting up of Institutes under private participation for achieving excellence in specialized areas. Core facilities in areas such as Genomics, Proteomics, Bioengineering and Bioinformatics, bio-diversity would be set up to facilitate research in the latest trends in Biotechnology and bio-diversity conservation.

### **6.5. Intellectual Property Rights**

The Government of Odisha will extend financial support to Universities, industries and research Institutes for protection of Intellectual Property Rights through filing of patents. A Patent Information Centre (PIC) has been set up with access to all relevant databases. This centre will be converted to State Level Intellectual Property Rights Facilitation Centre in due course.

## **7. Social and Rural Development**

The Government of Odisha will promote simple and affordable Agricultural Biotechnology to generate rural employment and Medical Biotechnology to

promote affordable healthcare products and services. The following initiatives are proposed:—

1. Activities such as tissue culture, mushroom cultivation, hardening facilities for plant tissue culture, vermi-composting and organic farming etc. will be promoted with the objective of generating employment and to improve the quality of farm produce. Separate financial support will be provided alongwith assistance from National Bank for Agriculture and Rural Development (NABARD), Small Industries Development Bank of India (SIDBI), etc.
  2. Support will be given to farmers cultivating medicinal plants and tissue culture raised plants under contract with medicinal plant extraction units and tissue culture units.
  3. NGOs and private institutes will be encouraged to conduct farmers training programmes to educate them on the benefits of Biotechnology.
  4. Academic and research institutes, industries both in public and private sector will be given financial support for infrastructure for developing new and innovative affordable healthcare products and services and food & non-food crops.
8. **Biotechnology Parks**

#### **A) Biotechnology Parks**

The Government of Odisha will provide quality infrastructure for incubation of technologies and promotion of Biotechnology industries by setting one or more Biotechnology Parks, Regional Biotechnology Parks and Thematic Biotechnology Parks in the State with world-class common industrial infrastructure, either on its own or in partnership with private sector.

The Government may take equity stakes in such projects by providing funds or by allotment of land for the projects. The parks will also facilitate all statutory and regulatory approvals for the units set up within the park. The Biotechnology Pharma IT Park at Andharua, Bhubaneswar will be made operational very soon.

The park shall have dedicated zone for R&D, Contract Research, Clinical Trials, etc. and have necessary facilities and support infrastructure, such as:

- a) Demarcated zones for Pilot manufacturing units, R&D/Process Development etc. with dedicated Small and Medium Enterprise (SME), MSME areas earmarked.
- b) Value chain Zones for industries such as packaging, raw-material supply etc.
- c) Common Effluent Treatment Plant, Incinerator for hazardous waste disposal, Pre-treated water, Boiler etc.
- d) Common testing laboratories, design laboratories, printing & packaging units, trade centre, marketing support, supply chain, training centre etc.
- e) Uninterrupted Power supply, Water Supply, Waste Disposal, Environmental Infra and Critical Utilities, Telecom facility etc.
- f) Residential facilities and shared social infrastructure for residents like schools, hotels, cafeteria, bars & restaurants, banking services, shopping mall, convenience stores, conference facilities, childcare facilities etc.

## **B) Thematic Biotechnology Parks**

The Thematic Biotech parks in the areas of Agriculture, Animal Husbandry and Human Health will be established in PPP or partnership with industries to showcase the available technological solutions Worldwide, potential areas of R&D and innovations. These parks will have digital archives of documents, scientists, industries pioneered in various facets of Biotechnology.

The State Government would also establish export-dedicated parks like SEZ/EPZ under the policy.

### **9. Self-Certification and Compliance Incentives**

The Biotechnology Units shall be exempted from regular inspections, barring inspections arising out of specific complaints in view of implementation of Voluntary Compliance Schemes for Industries & Commercial Establishments notified vide Resolution No.4870, dated the 30th May,2015 of Labour & ESI Department, covering the following Acts:

- a) Industrial Disputes Act, 1947
- b) Trade Unions Act, 1926
- c) Building and Other Constructions Workers' (Regulation of Employment and Conditions of Service) Act, 1996.
- d) Industrial Employment (Standing Orders) Act, 1946
- e) Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979.
- f) Payment of Gratuity Act, 1972
- g) Contract Labour (Regulation and Abolition) Act, 1970
- h) All other Labour Laws covered under the Voluntary Compliance Scheme of State Labour & ESI Department.

New Start-Up ventures in Biotechnology Sector shall be allowed exemption from inspection for a period of three years under the following Acts on submission of self-certified returns.

1. Employees' Provident Funds and Miscellaneous Provisions Act, 1952.
2. Employees' State Insurance Act, 1948

The Biotechnology Units shall get relaxation with respect to 3-shift operations, employment of women workers during night as applicable to IT & ITES Sector contained in Notification No.1967, dated the 1st March, 2014 of Labour & ESI Department.

### **10. Industrial Infrastructure Development Fund**

Government of Odisha has set up an Industrial Infrastructure Development Fund (IIDF) with an initial corpus of Rs. 100 Crores. The fund will be utilized for development of quality infrastructure such as roads, power, water, waste management etc. The fund would also be used to assist development of other infrastructures in Biotechnology Sector in order to achieve objectives of this policy.

### **11. Fiscal and Non-Fiscal Incentives**

The State Industrial Policy Resolution-2015 (IPR-2015) recognizes Biotechnology Sector as a priority sector and extends all the fiscal incentives, special incentives and other support measures to the Biotechnology Sector.

The eligibility conditions and other provisions in the IPR-2015 are also applicable to Biotechnology as a priority sector.

#### 11.1. **Land**

- a) Government will provide priority in allocation of land/ change of land-use for the Biotechnology Projects.
- b) Permissible Floor Area Ratio (FAR) for Biotechnology Industrial units will be at par with the provisions made for Information Technology/ Information Technology Enabled Services (IT/ITES) sector.

#### 11.2. **Research & Development Incentive**

To encourage R&D and investment in Biotechnology Sector, the Government shall provide the following incentives and support:

- 1) One time grant up to Rs.2 Crores for setting up of or upgrading of Biotechnology Centres of Excellence by Universities/Institutes.
- 2) One time grant up to Rs.2 Crores for setting up of or upgrading of Biotech Enterprise and Skill Development Schools by Universities/Institutes.
- 3) One time grant up to Rs.2 Crores for setting up of or upgrading of Biotechnology Incubators.
- 4) Collaborative research grant upto Rs. 30 Lakh per annum per project in advanced areas of applied Biotechnology

#### 11.3. **Marketing Assistance**

The Government of Odisha would establish a dedicated cell within Directorate of EPM to provide Export Marketing services to Biotechnology Products & Services.

#### 11.4. **Promotional Assistance**

The Government of Odisha would encourage special funding support maximum up to Rs.50.00 lakhs per annum to University/Institutes/Agencies/Industries for promotional assistance for the following activities:

1. Conduct of annual Workshop "Catch Them Young" to attract Biotechnology innovators for Start-up in Biotechnology.
2. Bring out theme based bi-annual publications in Biotechnology Sector to generate awareness among students, researchers, entrepreneurs and innovators.
3. Undertake promotional measures like publicity, propaganda, production of Information, Education & Communication (IEC) materials, exposure visits, preparation of model project reports, investment proposals, business meets and events by engaging special agencies, consultants etc.
4. Institute awards to showcase significant contributions and achievements in Biotechnology Sector such as:
  - Most promising Start up venture
  - Best performing Biotechnology Unit
  - Lead Innovation Enterprise showcased maximum innovation in its products & services
  - Best performing University/Academic Institution/R&D Laboratory
5. Undertake promotional measures to make Biotechnology a 'Focus Sector' for investment, facilitate creating special hubs for resources like credit,

capital, skilled human, raw materials and also make provisions for special incentives like power subsidy, training/apprentice/employment subsidy, etc.

## 12. **Governance**

The policy shall enable proper implementation and smooth functioning of all the provisions to facilitate the Biotechnology investments in the State. The Society constituted for Development of Biotechnology under the Science & Technology Department will be responsible for smooth implementation of the provisions in the policy.

All projects to be covered under this policy shall go through the State Level Single Window Clearance Authority (SLSWCA) for clearance as per the prevailing practice for industries in the State as per IPR 2015. The policy shall be governed under the Orissa Industries Facilitation Act & Rules as may be amended from time-to-time.

The Science & Technology Department shall constitute a Special Single Window Clearance Committee, for promotion and development of industries and investment in Biotechnology and Bio-similar related projects for the investment which are less than Rupees Fifty Crores. The Committee shall be chaired by the Principal Secretary/Secretary of Science & Technology Department consisting of *ex officio* members from concerned departments of the Government. The Committee may co-opt other members as special invitees as and when required for seeking expert opinion and/or evaluation of project proposals. A Project Facilitation Unit to be constituted at the department level shall serve as the Secretariat for the Single Window Clearance Committee.

### 12.1. **Policy Advisory Vision Group**

The State Government will constitute a Policy Advisory Vision Group (PAVG), to act as a think tank and key advisor on diverse policy related issues. It shall also recommend policy advice to the Government on various programs and initiatives that are relevant to expand and strengthen the Biotechnology Sector.

The PAVG would facilitate proper and timely implementation of this policy, and will ensure social and economic benefits of Biotechnology are made available widely. In order to accomplish this, the PAVG will develop, in phases, systems & mechanisms to bring a paradigm shift in the approach of Biotechnology education & research, commercialization of products & services, investment, collaboration, skill development through wide range of programs and tasks. The committee will also be responsible for reassessment of priority areas for growth, constitution of Special Task Forces from time-to-time.

The PAVG will be a body of intellectuals, professionals and practitioners from various fields in the academia, research, industry, commerce, administration, finance, marketing etc.

### 12.2. **State Level Implementation Committee**

The State Government shall constitute a State Level Implementation Committee (SLIC), under the Chairmanship of Chief Secretary. The SLIC will review the effective allocation of funds available in the State for Biotechnology ventures and Biotechnology infrastructure development. It will identify key



Biotechnology areas for investments in research and technology development as is necessary for the State. It will promote research in the emerging and nascent technologies by inviting proposals from different institutions and industries and providing financial assistance. The SLIC will help the State in creating greater public awareness issues arising which impinge on aspects of culture, morality, ethics, economics, etc.

**13. General Terms and Conditions**

- a) Doubts relating to interpretation of any term and/or dispute relating to the operation of any provision under this policy shall have to be referred to the Science and Technology Department, Government of Odisha for clarification/resolution and the decision of Government in this regard shall be final and binding on all concerned.
- b) Any act or policy of Government of Odisha alongwith its rules and procedures there under dealing with promotion of investments in the State that is conflicting with this policy, its rules and procedures shall be suitably amended to the extent required to bring conformity with this policy.
- c) No right or claim for any incentive under this policy shall be, deemed to have been conferred merely on the ground of provision in this policy. Implementation of various provisions covering the incentives, concessions, etc. will be subject to the issue of detailed guidelines/statutory notifications, wherever necessary in respect of each item by the concerned Administrative Department.
- d) The procedure for availing incentives and concessions laid down in this policy over and above the IPR 2015 will be administered by the Science & Technology Department. The Director, Biotechnology shall be the Nodal Officer in Science & Technology Department for implementation of this Policy and issue of detailed operational guidelines/ statutory notifications.
- e) Government may, if need be, notify special incentives over & above those specified in this policy. Government may at any time amend any provision of this policy.

**ORDER**

Ordered that the Resolution be published in the Extraordinary issue of the *Odisha Gazette* and copies of the Resolution be forwarded to all Departments of Government of Odisha/ all Heads of Departments/ all Revenue Divisional Commissioners / all Collectors/ all Public Sector Undertakings.

By Order of the Governor

C.J. VENUGOPAL  
Principal Secretary to Government